

**TERMINATION POLICY
2021/22**

Summary

It is the aim of Ngqushwa Local Municipality to regulate the process of termination of services of its employees in a fair and procedural manner, which could be initiated by either the employer or employee. This document intends to provide a framework for handling any type of employment termination that may become necessary in accordance with the legislative requirements.

Publication Date	
Review Date	September 2021
Related Legislation/Applicable Section of Legislation	<ul style="list-style-type: none"> • Labour Relations Act 1995 • Basic Conditions of Employment Act, 1997 • Constitution of the Republic of South Africa, 1996 • Municipal Systems Act, 2000 • SALGBC Collective Agreements • Insolvency Act 24 of 1936
Related Policies, Procedures, Guidelines, Standards, Frameworks	
Replaces/ Repeals (whichever is relevant, if any)	
Policy Officer (Name/Position)	MW MXEKEZO
Policy Officer (Phone)	040-6733095
Policy Sponsor (Name/Position)	
Department Responsible	Corporate Services
Unit responsible	Human Resources
Applies to	All Municipal Employees
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Council approval date	
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REVISION RECORD

Date	Version	Revision Description

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1. TITLE

Termination Policy

2. PURPOSE

The purpose of this policy is to help provide a harmonious termination of the employment relationship. To ensure that employees who are leaving the municipality do so in a manner that is not prejudicial to the municipality and to protect the municipality's image as a reputable employer. To conduct exit interviews to enable the municipality to determine reasons why employees are terminating the working relationship. To assist the municipality in analyzing exit trends and develop strategies to curb labour turnover using exit interview results.

To establish procedures regarding the timely processing of the termination notice to the Payroll Department for employees separating from the Municipality, either voluntarily or involuntarily. The implementation of this policy will ensure that termination is managed well and compliant with the provisions of relevant legislation and workplace agreements.

3. SCOPE

This policy is applicable to all permanent and fixed term employees of the Ngqushwa Local Municipality irrespective of joining as a new member of staff or transferring between departments. This also includes the contingency workforce which refers to contract workers, contractors, part-time, temporary and casual workers.

4. PROCEDURE DETAIL

4.1 OBJECTIVE OF POLICY

The objective of this policy is to set out the circumstances, under which a contract of employment can or shall be terminated, to set out the procedural guidelines for termination in certain circumstances and to ensure that termination criteria are fair and consistently applied.

- To provide broad policy framework with regard to termination of services of employees.
- To provide for conditions and guidelines with regard to various termination situations

4.2 PRINCIPLES

- 4.3 Ngqushwa Local Municipality (NLM) is committed to retaining the services of, and offering ongoing opportunities to existing staff members in ways, which are consistent with achieving the municipality's goals and objectives.
- 4.4 The NLM shall where an employee's availability ceases due to unforeseen and unfortunate circumstances ensure that amicable and unbiased means and efforts to accommodate the employee are made.

- 4.5 Terminations should be fairly and lawfully effected and must serve the purposes of the employer without discriminating against any employee.
- 4.6 Where an employee ends the contract with the NLM for personal reasons known to the employee, the Municipality shall ensure that proper procedures and processes to terminate the employment are followed.

This policy covers termination due to the following situations:

- Resignation
- Dismissal
- Redeployment
- Retirement
- Imprisonment
- Conduct of an employee
- Non-Renewal of Contract
- Ill health and
- Death

4.3 POLICY CONTENT

4.3.1 Resignation

An employee must put in writing their intention to resign, indicating the proposed date of termination. The notice must be submitted through the employee's immediate supervisor and or above who will acknowledge and forward the notice to Human Resources for action.

Where an employee wishes to resign he/she does that in writing directed to his/her immediate supervisor. The immediate supervisor shall acknowledge and forward the notice to HR for actioning. The HR shall notify the Office of the Municipal Manager who will give final approval. The Office of the Municipal Manager shall return the approval to HR and then HR informs the employee of the approval of the resignation. HR will advise the acceptance of resignation in writing. The resigning will be requested to submit various documents to facilitate payments of monies due to him/her and also to participate in exit interview.

4.3.2 Retirement

The normal retirement age for employees is 65. Retirement age might also be guided by the pension fund. Human Resources Section shall advise the employee of the retirement age. This will ensure that the employee prepares his/her retirement. The affected departments take appropriate decision on the future of the post and ensures recruitment processes are in place in case the post is still needed. 3 months before the retirement date Human Resources Section will inform the retiring employee and the Office of the Municipal Manager. Human Resources will also advise the retiring employee in writing in 3 months' time. The retiring employee will be requested to submit various documents to facilitate payments of monies due to him/her and also to participate in exit interview.

Guidelines on serving of notice by a Municipal Employee

Employee Category	Period Of Notice By The Employee
Senior Managers	8 weeks
Managers	4 weeks
Other employees	4 weeks
All Casual employees	1 Hour

4.3.3 Death of an employee

On receipt of advice that an employee has passed on, Human Resources shall advise a family to nominate a person who will represent the deceased. The nomination will be done through the Court where such person will be appointed as an Executor. The Municipality shall liaise with the nominated family member to process all monies due to the former employee. HR will use Pension Fund guidelines to determine financial dependents and nominees of the deceased. The final decision will be done by the Board of Trustees.

4.3.4 Abscondment

In line with Municipal Disciplinary Code the Office of the Municipal Manager shall determine where an employee absconded. This will be done after following disciplinary processes. Human Resources Office shall advise the employee in writing. The absconded employee will be requested to submit various documents to facilitate payments of monies due to him/her and also to participate in exit interview.

4.3.5 Termination on the grounds of ill health

Where an employee has been declared medical unfit by the medical practitioner appointed by the Municipality and in some cases specialist, the Human Resources Office will inform the Office of the Municipal Manager and the Municipal Manager will approve the termination in writing. Human Resource Office will advise the affected employee of the approval of the medical practitioner by the Office of the Municipal Manager. Human Resources Office shall advise the employee in writing. The affected employee will be requested to submit various documents to facilitate payments of monies due to him/her and also to participate in exit interview.

4.3.6 Dismissal

In line with Municipal Disciplinary Code the Office of the Municipal Manager shall determine where an employee absconded. This will be done after following disciplinary processes. Human Resources Office shall advise the employee in writing. The affected employee will be requested to submit various documents to facilitate payments of monies due to him/her and also to participate in exit interview.

4.3.7 Redeployment/transfer/promotion/placement

Employees on the type terminations above shall be required to serve notice as per the guidelines above.

4.3.8 Non-renewal of contract

Where an employee's contract is due to expire a notice shall be issued by the municipality to the affected employee in line with the guidelines above.

4.4 EXIT INTERVIEWS

Exit interviews are conducted by the Employer with the employee at the time of voluntary termination, retirement or retrenchment. The purpose of an exit interview is to obtain information about the employee's experience during employment. These exit interviews could provide valuable information about barriers and other factors that could have contributed to the termination.

Officials leaving the employment of the Municipality should be invited to take part in exit interviews. These should be entirely voluntary and confidential. Officials will be encouraged to discuss their working experiences freely and frankly. In this way the exit interviews can help identify problem areas within the workplace. The information generated in the interviews will be evaluated, used to find remedial steps to correct the identified challenges.

Through the results of the exit interview, the employer will determine and analyze the trends in the Municipality and this will also assist in the staff retention policy through practical remedial interventions in the identified problem areas. The reasons advanced by employees for the termination of services should be honestly and accurately recorded using the prescribed exit interview questionnaire. A quarterly analyses will be done and reported quarterly.

4.5 RETURN OF MUNICIPAL PROPERTY

Any employee who is leaving the employ of the Municipality is required to return all Municipal property in good condition. Property belonging to the Municipal may include, but is not limited to: equipment, staff cards, mobile phones, files, access keys, and computer hardware and software. It is the responsibility of the manager/supervisor of any employee who is leaving the employ of the Municipal to ensure that Municipal property is returned prior to the cessation date. The clearance form shall be used to ensure that employee is not owing the municipality. Under no circumstances shall any payment be made until the clearance form has been done unless the employee has been cleared on all debts. The copy of the clearance form shall be kept on the employee file.

4.6 SUMMARY OF TERMINATIONS

- Employee informs the supervisor of his/her resignation (in case of resignation).
- Office of the Municipal Manager approves/acknowledges
- Office of the Municipal Manager informs Corporate Services/HR Section of the approval
- Human Resources advises the affected employee and request relevant document
- Employee submit relevant documents
- Human Resources processes payment(s)
- Human Resources issue to the employee certificate of service at all times

4.7 COMMUNICATION

Circulars, messages and notices on notice boards will be utilized in order to inform all employees of the availability of the policy. Copies of the policy will also be distributed to the parties that took part in the consultation process

4.8 REVIEWAL OF THE POLICY

It will be the responsibility of the Corporate Services Department to consider the provisions of this policy on annual basis. The Corporate Services Department shall request all Departments to submit their proposed changes for submission to Council for approval.

5. ROLES AND RESPONSIBILITIES

Role	Authority
<ul style="list-style-type: none"> • Create, evaluate, review and adopt the Termination Policy 	Council
<ul style="list-style-type: none"> • Implement and enforce this policy • Establish and control the administration necessary to fulfil this policy, and report efficiently and regularly to the Committee in this regard. 	Municipal Manager
<ul style="list-style-type: none"> • Ensure that there is compliance with the Termination Policy 	Director Corporate Services

6. MONITORING, EVALUATION AND REVIEW

A report detailing the progress with the implementation of Termination Policy with specific reference to achievement of this policy has to be compiled every year by the person with the responsibility for implementation and monitoring. The policy must

be made available to all consulting parties for perusal and comment and must be circulated to all staff members by means of circulars, notices and notice boards.

7. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
Employees	Individuals appointed according to the Municipal Systems Act of 2000, section 66 (1)
Incapacity	Illness or Injury
Retrenchment	Termination due to operational requirements
Trade Union Representative	Representative of IMATU and SAMWU
Serious Misconduct	a serious dereliction of the duties required of a staff member or wilful or deliberate behaviour which demonstrates that the staff member is not willing or is unable to carry out his or her duties or which constitutes a serious impediment to the carrying out of a staff member's duties or to a staff member's colleagues carrying out their duties. Serious Misconduct can be represented by a pattern of behaviour or a single occurrence.
Dismissal	The employer terminates the employment contract with or without notice.
Resignation	The employee terminates the employment relationship by giving the employer a notice period of Intention to resign as per Sec 37 of the basic Conditions of Employment Act.
Retirement	Is the point where an employee stops employment completely where he / she reaches a retirement age.
Abscondment	The employee willfully absents him/herself without notice, permission or valid reason and is regarded as a form of misconduct.
Early retirement	Termination of employment contract by agreement between the employer and the employee before the normal retirement age of 55 to 60.
Normal retirement	Termination of employment contract when the employee reaches the normal retirement age determined by applicable legislation: <ul style="list-style-type: none"> • At age 60 years old currently

Medical boarding	Termination of employment contract when the employee cannot perform duties due to ill health.
Ill Health retirement	Termination of employment contract when the employee is not capable of performing the duties for s/he was hired to do following a fair procedure.
Exit interviews	One on one interviews conducted in confidence to determine employees' reasons for leaving.
Interview Questionnaire	A document containing a list of prescribed questions to be used for conducting an exit interview.
Labour turnover	The relative rate at which an employer gains and loses staff.
Summary dismissal	Termination of the employment contract by the employer without serving a notice period
Fixed Term contract	An employment contract between the employer and the employee that extends over a specific period of time; employment contract that has a starting and an ending date.
Severance Pay	Payment given to employees whose contract of employment terminates on the basis of operational requirements or in terms of Sec 38 of the Insolvency Act. Severance pay that is equal to at least one week's remuneration for each completed year of continuous service with the employer.

8. SUPPORTING DOCUMENTS

None

9. REFERENCES

None

10. APPENDIX

None

11. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL


This policy is adopted and approved by the full Ngqushwa Local Municipality Council for implementation



MUNICIPAL MANAGER

22/08/2022

DATE



MAYOR

30/08/2022

DATE